

كندا من القهر

Reagan Joins in Campaign

President Attacks Dukakis on Taxes

By Bill McAllister
Washington Post Service

MIAMI — President Ronald Reagan has weighed in to the 1988 presidential race, portraying Michael S. Dukakis, the likely Democratic candidate, as a "true liberal" who would raise taxes and reverse economic gains that he said Republicans had given the country.

In his first purely political trip involving the forthcoming campaign, the president on Wednesday praised Vice President George Bush for promising to keep taxes down. He decried Democratic concerns about "reducing the deficit" as "just a code word for boosting taxes."

"And once they raise taxes, they raise spending even more," Mr. Reagan said.

Without mentioning Mr. Dukakis, the governor of Massachusetts, by name, the president repeatedly denounced him, saying the Democrats "all-but-certain presidential candidates" had squandered increased state revenues generated by "the Reagan-Bush recovery," provided over a soaring state deficit and increased state taxes.

"The man expected to head up the Democratic ticket," the president said, "is a true liberal who, instead of controlling government spending, raises taxes."

[Mr. Dukakis was quick to respond. The Associated Press reported. "With all due respect, I think the president's confused," he told reporters in Washington.

"The next president will inherit a fiscal mess—I think we all know that," he said. "And one of my jobs as president of the United States will be to straighten out this mess."

The president's 20-minute speech was made during a fundraising luncheon for Representative Connie Mack 3d, Republican of Florida, who is running for the Senate. It offered a glimpse of what is expected to become this fall's standard presidential stump speech.

The elections boiled down to a simple issue, the president said: whether the government continued to build on progress and moved to "an even brighter future," or whether it hesitated and returned to "the worn-out policies that bring high taxes, low growth and a loss of direction and purpose."



POLITICS ON THE FARM — Vice President George Bush talking with dairy farmers at a livestock auction in Marion, Wisconsin. The Republican presidential hopeful watched a calf sale before sitting down for an impromptu discussion of economic conditions.

Reagan Cites Drug Case at White House

By Bill McAllister
Washington Post Service

WASHINGTON — President Ronald Reagan said Thursday that the discovery that five White House workers may have used illicit drugs provided more evidence that compulsory drug testing is necessary.

His comments followed the suspension of three uniformed White House guards and the resignation of two National Security Council clerical aides as authorities investigated drug use among White House workers.

The president's spokesman, Martin Fitzwater, acknowledged at a briefing that the White House's announced mandatory drug-testing program will not begin for another two months. It has been almost two years since Mr. Reagan issued an executive order calling for testing of all government workers in sensitive positions.

Even then, few of the 1,400 workers under the Executive Office of the President are expected to be affected by the program before Mr. Reagan leaves office in January, Mr. Fitzwater said Thursday.

that the program calls for the random testing of about 2 percent of the White House staff six times a year, or about 150 workers annually.

Although Mr. Fitzwater said the suspected drug use was discovered by a tip from a member of the Secret Service's uniformed division and not a drug test, at least one of the five was subject to a program of mandatory testing.

It was learned Thursday that one of the two NSC aides, who was reported to have resigned from the White House post after acknowledging drug use, was a navy petty officer. He was transferred back to the navy.

The uniformed division of the Secret Service provides security for the White House and foreign embassies in Washington. The NSC coordinates U.S. diplomatic, military and intelligence activity.

Mr. Fitzwater would not say what drugs had been involved. A source has said that a transaction involving cocaine had taken place on the White House grounds, but Mr. Fitzwater said there was no evidence produced by the investigation so far to substantiate that any such sales occurred.

He said Mr. Reagan was concerned and troubled by the investigation, which began several months ago. Asked at a photo session about the reports, Mr. Reagan said, "Yes, of course I am upset that it is found anywhere."

Mr. Reagan, posing with Republican congressmen who had come to the White House to discuss drug

policy, said nobody is exempt from the evils of drugs, adding that the investigation at the White House was further evidence of why compulsory testing is needed.

If White House workers are found to have used drugs, Mr. Reagan said, he would like to see them enter treatment programs.

Mr. Fitzwater said Mr. Reagan and his wife, Nancy, who has led an anti-drug campaign, knew of the investigation by the Drug Enforcement Administration and the Secret Service for several months.

"This awareness has served to strengthen the president's resolve to deal with drugs in the workplace, to push for drug-use testing and to focus attention on the prevention, identification and rehabilitation of drug users," he added.

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Poll Finds Respect for Reagan

Moscow Relations Rate High in Washington Post Survey

By David S. Broder
Washington Post Service

WASHINGTON — As the contest to choose President Ronald Reagan's successor begins, most Americans say the country is better off because of his presidency and they believe history will render a respectful judgment of his efforts.

However, a special Washington Post survey that may offer the deepest insight to date on the Reagan legacy as a campaign factor also suggested that most of the praise for Mr. Reagan was focused on his success in reducing the likelihood of nuclear war while his handling of domestic issues and his way of running the government drew criticism.

The poll was taken shortly after the Moscow conference and may reflect its afterglow, although in general Mr. Reagan has received good marks on handling relations with the Soviet Union since well before last year's summit meeting in Washington.

On the economic front, the survey suggested that Mr. Reagan got less credit for the healthier picture on employment and inflation than he did early in his White House tenure.

On the down side, the Iran-contra affair and the sense that he has been a poor manager who did not control his aides were the biggest marks against him.

Among those who graded Mr. Reagan an above-average president, 61 percent say they are backing Vice President George Bush for the office and only 28 percent prefer Governor Michael S. Dukakis of Massachusetts, his likely opponent in November. Among those who rate Mr. Reagan as average or below, the preference is 60 to 27 percent in favor of Mr. Dukakis.

Robert D. Hodge is one of those polled who supported Mr. Reagan in two elections, and he saw strong pluses and minuses after seven years. A retired Kansas City physician, he mentioned the 1981 tax cuts and boosts in national defense on the plus side, but said unhesitatingly, "The way he's dealt with the Russians, especially at the last summit when the treaty was signed, was clearly his biggest success."

Dr. Hodge was critical of Mr. Reagan's management style. "He's a poor administrator," the physician said. "He just doesn't control his staff. I don't like his distant way of running things. He doesn't have his finger on what's going on. He tells somebody else to do it and goes back to bed."

Dr. Hodge said he thinks history will judge Mr. Reagan as an average president. Overall, 42 percent of the 1,012 people interviewed in mid-June gave Mr. Reagan the same rating. An equal percentage said Mr. Reagan would score above average or far above average, while

only 16 percent placed him below or far below average. Overall, the poll indicated that 52 percent believed the country was better off because of Mr. Reagan's

"The way he's dealt with the Russians was clearly his biggest success."

Robert D. Hodge, retired physician

of the economy and foreign policy. On the negative side, Mr. Reagan is faulted for failing to reduce poverty, environmental damage, budget deficits, crime, drugs and the quality of education. Oddly, considering his constant emphasis of the issue, he got negative grades on reducing taxes, which may be explained by the separate question showing that 35 percent of the people thought Mr. Reagan tried to cut taxes too little while only 23 percent said he tried to cut them too much.

Another set of questions, comparing responses in 1983 and now, showed a general consistency in Mr. Reagan's ratings on personal qualities and his fairness or unfairness to various groups.

There was a huge drop in the percentage crediting him with cutting waste in government — from 55 to 24 percent. Follow-up questions showed that by a margin of 31 to 18 percent more people credited Mr. Reagan with decreasing waste in U.S. social programs than blamed him for increasing waste.

On defense spending, 36 percent said waste had increased while only 15 percent said it had decreased.

Locks Carbide Ashes

India has issued an injunction to prevent the export of carbide ash from the Bhopal gas disaster.

On Wednesday, the government sought to bypass the decision by ordering the Bhopal gas disaster to be held in India to determine whether it should be exported.

The Bhopal gas disaster, which occurred, who was injured, has filed a \$3.3 billion lawsuit against more than 2,000 people who

Romanian Act

Hungary sent a strong diplomatic note to Romania regarding the closure of Hungarian consulates in Romania's villages.

Leaders Leave Camb

Vietnam said that it would send troops to Cambodia to end the nine-year guerrilla war.

U.S. May Require More Plane Tests

New York Times Service
NEW YORK — Concerned about the safety of aging airplanes, the government is considering a requirement that manufacturers test planes to develop information that could be used to improve schedules for the repair or replacement of crucial parts.

Dukakis Courts Support in Congress

WASHINGTON (NYT) — Ask Christopher Edley to name the people whom Michael S. Dukakis relies on for advice and Mr. Edley, the candidate's issues director, starts sounding like the Congressional Directory.

Jackson Plans an Effort for Hostages

CHICAGO (NYT) — The Reverend Jesse L. Jackson said he plans to press an effort to win the release of the Americans missing in Lebanon and might visit the Middle East to try to do it.

U.S. Sex Harassing Persists

WASHINGTON — Forty-two percent of women working for the federal government say they have been sexually harassed during the past two years, exactly the same number who reported sexual harassment in a major survey seven years ago.

THE HUSTINGS

Washington Post Service
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Demjanjuk's Attorneys Appeal Death Sentence

JERUSALEM — Attorneys for John Demjanjuk, 68, convicted by Israel of war crimes, asked Israel's highest court Thursday to set aside his guilty verdict and death sentence.

Berlin Rail Link Post

The ministers of transportation of East and West Germany agreed in principle to start a high-speed rail link between Berlin and West Berlin.

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1987 — a year of steady growth

Highlights of Bayerische Vereinsbank Group as of Dec. 31, 1987

	(in bn.DM)
total assets	149.6
due from customers	118.3
due to customers	31.8
bonds issued in long-term loan sector	82.1
staff	14,270



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The office had received only



HATS ON AT HENLEY-ON-THAMES — A young man sells boaters at the 149th Henley Royal Regatta, still a high spot of the English summer social season and the most important event of the rowing calendar, where straw hats and striped blazers are still the fashion order of the day.

EUROPEAN TOPICS

A Joint World's Fair Across Iron Curtain?

Vienna and Budapest, once the twin capitals of the Austro-Hungarian Empire, are planning to stage a joint World's Fair in 1995. A bid to be co-hosts for the fair has been submitted to the Paris-based International Bureau for Expositions. It would be the first world exposition held in an East bloc country, and the first staged simultaneously in two cities. The 1992 World's Fair was planned in Chicago and Seville, Spain, but Chicago dropped out because of financial problems.

A feasibility study by the U.S. engineering and construction company Bechtel Group Inc., commissioned by Austria and Hungary, was completed this week. The report said the two-city fair would carry a strong "curiosity factor" and attract about 20 million visitors, according to a spokesman for the Austrian Foreign Ministry. Bechtel's suggested theme is: "Bridges to the Future."

Plans include the construction of a highway and a high-speed railroad linking the two cities, which are 220 kilometers (135 miles) apart. Border formalities would be dropped. Vienna and Budapest are now surveying sites and financing. They expect to

complete plans for the project by September, the spokesman said. Marie-Hélène Defrene, secretary-general of the International Bureau for Expositions, said proposals by Austria, Hungary or any other countries considering World's Fairs before the year 2001 must be submitted by Nov. 20.

Britain Tells Britons To Behave Abroad

Britain, in an attempt to improve the reputation abroad of its tourists — including English soccer hooligans — has launched a campaign to teach British travelers how to stay out of trouble.

Tim Eggar, a junior minister in the Foreign Office, has announced a television campaign of eight films, each lasting about a minute, on the theme "Get it right before you go." One commercial shows a tourist who ends up in prison after a drunken night, only to find that the local British consul cannot bail him out. A series of leaflets offers advice on health and travel insurance, local laws and pickpockets.

The number of British citizens currently in foreign prisons is more than 1,900, up 36 percent from last year, according to Foreign Office figures. About one-third of these are held on drug charges. Of the 27.5 million tourists expected to go abroad this year, 8 million are due to go to Spain. "At any one time, half of the police cells in the Spanish resort Benidorm "are occupied by British citizens," Mr. Eggar said.

Around Europe

Dublin's barmen have voted to go on strike July 9 over the abolition of the so-called "Holy Hour," the one-hour afternoon break when pubs are closed. The Irish government, saying the Holy Hour is old-fashioned and confusing to tourists, has passed a new licensing law allowing pubs to stay open from 10:30 A.M. to 11:30 P.M. But the city's 4,000 barmen, claiming they are overworked, are demanding an increase of 20 Irish pounds (\$29) a week for working nonstop. The Holy Hour dates back to a 1927 law under which all pubs in Dublin and Cork had to close from 2:30 to 3:30 P.M. The measure was introduced to discourage all-day drinking. But it is an open secret that some pubs close their doors without dislodging their customers.

The demolition of Berlin's Spandau Prison has been completed, *The New York Times* reports. Rudolf Hess, a longtime Hitler deputy convicted as a war criminal, was Spandau's only remaining prisoner for more than 20 years until his death in August last year. Although debris was removed under police protection to keep it from falling into the hands of neo-Nazis, a handful of stolen bricks have been sold as souvenirs for up to \$400 apiece. The British Military Government, which controls the site, plans to build a canteen, swimming pool and squash court for service personnel on the lot.

Sytske Looijen

GALERIES Lafayette

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Iraq Reports Recapture Of a Key Border Town

BAGHDAD — Iraq said its forces recaptured a northern border town Thursday after a year of Iranian occupation and attacked a major gas plant in southern Iran.

A High Command communiqué said the 1st Army Corps, took Mawat, a Kurdish garrison town 300 kilometers (190 miles) north-east of Baghdad, in a 19-hour battle.

It was the latest in a series of battlefield setbacks for Iran since Iraq recaptured its strategic southern Fao peninsula in April after Iranian forces had held it for three years.

Another Iraqi communiqué said air force jets flew a round trip of 1,500 kilometers Thursday to attack what it termed Iran's biggest gas production plant on the mainland near Lavan Island in the southern Gulf.

It said jets also pounded installations at the Cypus oil field in the northern Gulf.

The *Mayon* communiqué said border posts at Ogarta and Kormina and 15 mountain peaks near the garrison town were seized in Thursday's fighting.

Iraqi forces also captured 10 oil-

or peaks in the Kasha, Mirawa and Kolan areas, it added.

Iraq said the gas facility hit on Thursday had been built by foreign companies, which it did not name.

It said the attack was a huge blow that would have a major impact on Iran's economy and its revenues.

The Tehran radio said Iraqi planes raided an industrial center in the coastal province of Bushire on Thursday, damaging the plant and killing or wounding several workers.

Iran has been developing a huge gas field in the Kangan area on the Gulf coast in Bushire about 150 kilometers northeast of Lavan Island.

The radio did not specify the name of the raided installation, however.

Iraq's main target in Bushire in the past has been an unfinished nuclear power plant, hit several times in the course of the war.

On Wednesday, marine insurance brokers in London said the world's biggest vessel, the 564,739-ton tanker *Seawise Giant*, had been declared a total loss.

It was hit by Iraqi jets raiding Iran's Larak Island in May.

Boost in Berlin Flights Draws Mixed Welcome

By Robert J. McCartney
Washington Post Service

BONN — A planned sharp increase in air traffic to West Berlin, announced this week by the West German government, drew mixed reactions from the city's residents. The move is the first substantive accomplishment of President Ronald Reagan's year-old initiative to stimulate the isolated city's economy and cultural life.

The move has drawn a mixed welcome from West Berliners and West Germans.

The United States, Britain and France still hold ultimate responsibility for West Berlin under agreements negotiated with Moscow at the end of World War II.

During a trip to West Berlin a year ago, Mr. Reagan announced a four-point program to help develop the divided city's potential as an international meeting place and a link between East and West.

He urged increasing air service for both East Berlin and West Berlin to help attract more international conferences, expanding Berlin youth exchanges and, also, holding a summer Olympics in both sectors.

Britain and France endorsed the plan, and the three Western allies submitted it to the Soviet Union on New Year's Eve. So far, Moscow has said only that it is considering the plan. Now, the West has acted.

The agreement, reached after hard bargaining among the allies, adds as many as 314 round-trip flights a week between West Berlin and West Germany to the current 534. The number of seats could double, U.S. officials said, because larger planes are expected to be used.

The West Berlin mayor, Eber-

hard Diepgen, praised the increase in service but warned about the danger of "ravenous competition."

The city is worried that some routes eventually will be abolished.

Editorials in two left-of-center West German newspapers strongly criticized the decision. "Critics fear with good reason that if it comes to a ravenous competition, more flights will be canceled than added," said Munich's *Süddeutsche Zeitung*.

Frankfurter Rundschau called the measure "almost a classic imperialistic attack by the United States, which wants to use its status in Berlin as a gateway to get a firm foothold in the air travel business of this continent for 1992, when restrictions on prices and choice of airlines will be lifted."

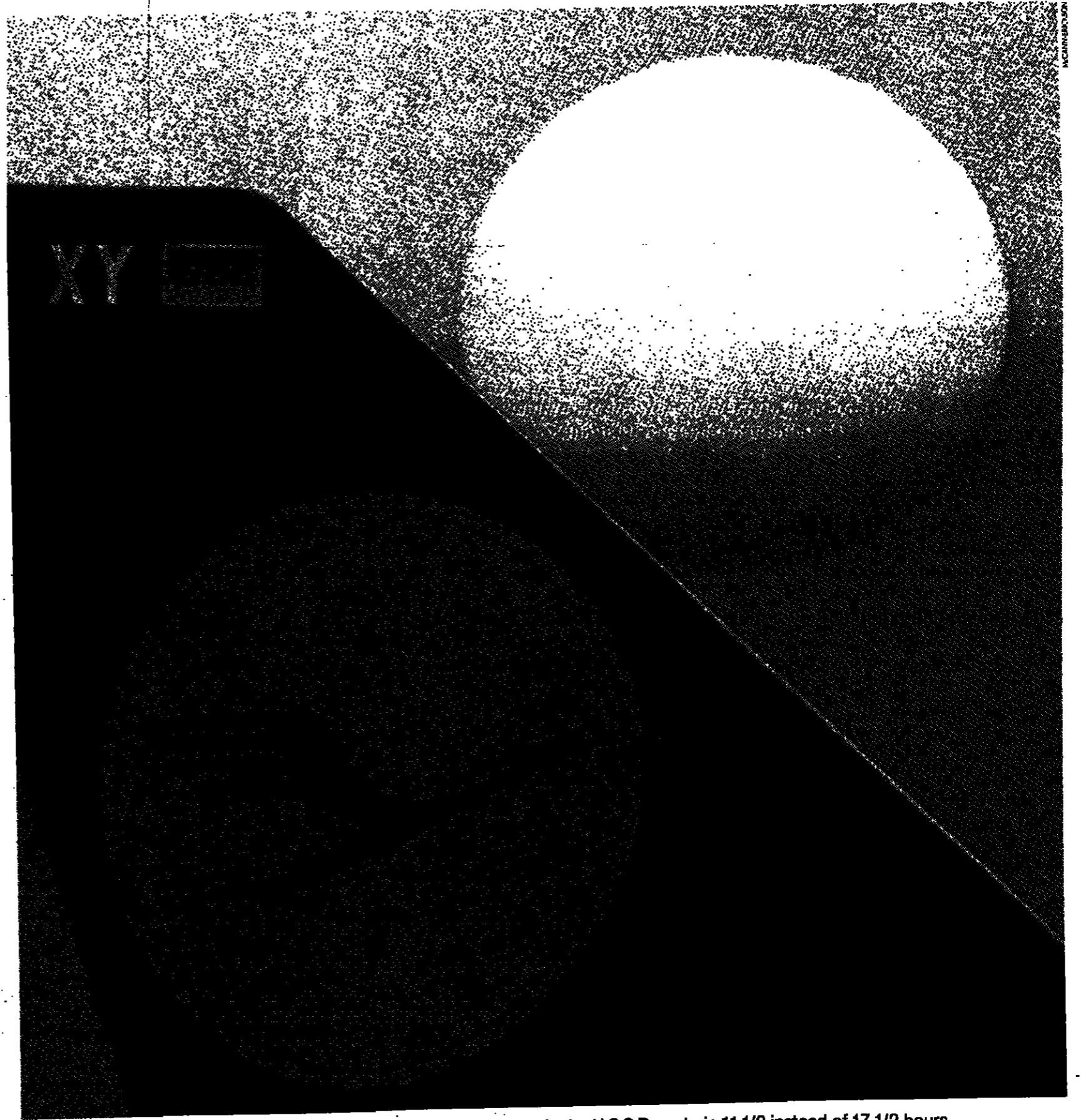
The decision represents a breakthrough for the West German airline Lufthansa, which is to receive for the first time a stake in the lucrative Berlin air routes.

In the past, the Western allies resisted allowing Lufthansa to fly to West Berlin. They feared that such permission for a nonaligned airline might weaken the West's legal position justifying its right to the three air corridors.

Lufthansa now is to own a large, minority share of a new airline in which Air France will have more than 50 percent of the stock. That airline will fly to West Berlin, and the allies are insisting that it is a French company despite Lufthansa's share.

In addition to the French-German airline, American Airlines and Trans World Airlines received rights, for the first time, to fly to West Berlin. The other major carriers serving the city are British Airways, Air France and Pan American World Airways.

Six hours off the map to the land of the rising sun.



Lufthansa now flies twice a week nonstop from Frankfurt to Tokyo via the U.S.S.R. route in 11 1/2 instead of 17 1/2 hours.

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Herald Tribune

Yes, Special Prosecutors

For the Reagan administration, it was humiliating. For almost everyone else, Wednesday's Supreme Court decision on special prosecutors deserves celebration...

The Judge Is Moving

When the Iran-contra defendants were indicted last March, it was expected that the pretrial maneuvering and the trial itself might take a couple of years...

Other Comment

Cut Out the Brinkmanship
The Philippines and the United States are playing a dangerous game of brinkmanship. Each side wants to impress the other that it can do without a new agreement...

Business Isn't Understood

According to Robert Peterson, a professor at the University of Texas, only about a third of the U.S. population can give a remotely accurate definition of the word capitalism...

Talking Security With Japan
The current visit of Tsutomu Kawara, director-general of Japan's Defense Agency, to Indonesia should be viewed in the context of Japan's growing awareness of its multiple interests as a world power...

Gamble on Gorbachev? Some Elect to Pass

NEW YORK — There stood Mikhail Gorbachev, delivering a three-hour harangue to the first emergency conflation of the Communist Party in a half century...

Rockers, Too, Want a Changed Soviet Union

BETHESDA, Maryland — The Soviet struggle for change is taking place not only at the Communist Party conference in the staid atmosphere of the Kremlin Palace of Congresses but also in rock clubs and concert halls all across the country...



Limiting Nuclear Navies Will Be the Next Step

WASHINGTON — The tide is starting to turn against the sea change in naval armaments. This sea change is not before time. New nuclear weapons, particularly long-range sea-launched cruise missiles, are being manufactured and deployed in the U.S. and Soviet navies...

For a Ban on Nuclear Cruise Missiles at Sea

LIMITING cruise missiles aboard U.S. and Soviet submarines and surface ships is the main issue delaying the treaty on reducing strategic arms before leaving office. The solution lies in a verifiable ban on all sea-launched cruise missiles...

Nuclear Arms at Sea Worry Indonesia

A PART from the fact that no less than one-third of the world's nuclear arsenals are destined for naval deployment, the distinguishing feature of sea-based nuclear forces is their ability to proliferate geographically throughout the world...

OPINION

Democrats May Inherit The Flags

NEW YORK — This is going to be a great year for the flag business. American flags. Truckloads of them are heading south right now. Democrats want to wave them at their convention in Atlanta this month...

By Stuart Anderson

that many benefits — the samovar and classical ballet, for example — also reached Russia via the West. Writing in an official Soviet journal, sociologists argue that rock is not a corrupting influence but a reflection of Soviet youth's alienation from society...

By William M. Arkin and Joshua Handler

Under the ANZUS treaty in 1986 after Wellington refused to allow port calls by nuclear-powered or nuclear-armed vessels. Other allies and friends of the United States are also tired of being powerless observers of the nuclear arms race...

1888: Cayenne Convicts

PARIS — Two hundred and sixty convicts at Toulon, who were waiting to be embarked on board the Orne for Cayenne, have made a desperate attempt to escape. They had wrenched out the bars of a window in the fortress and were about to smash open a door when the alarm was given and the troops restored order.

1913: Gettysburg Men

NEW YORK — Twenty-five thousand Union and Confederate veterans are gathered at Gettysburg to celebrate the 50th anniversary of the biggest battle of the Civil War. The heat causes much discomfort in the vast tent city, although the temperature is not excessively high...

No, Sire, Yes Investigation

NEW YORK — The most audacious effort in generations to evaluate presidential power of the president has been decisively turned back. The larger meaning of the Supreme Court's decision on Wednesday is that the law which provides for independent counsel against all presidents is unconstitutional...

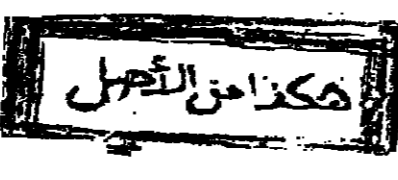
The Goodbyes Pile Up

THE president is saying the farewell to his office. Here's a list of those who are leaving. The goodbyes are piling up even though he has not yet left in office. There is a long list of those who are leaving. It appears that Mr. P. is wrapping up his duties and is leaving a crisp, his work is almost done...

100, 75 AND 50 YEARS AGO

- 1888: Cayenne Convicts
1938: On Modern War
1913: Gettysburg Men

INTERNATIONAL HERALD TRIBUNE
JOHN HAY WHITNEY, Chairman 1988-1992
KATHARINE GRAHAM, WILLIAM S. PALEY, ARTHUR OCHS SULZBERGER, Co-Chairmen



هكذا من الظاهر

OPINION

No, Sire, You Can't Manage Investigations of Your Reign

By Anthony Lewis

NEW YORK — The most audacious effort in generations to exalt the constitutional power of the president has been decisively turned back. That is the large meaning of the Supreme Court's decision on Wednesday in the independent counsel case.

The Goodbyes Pile Up

THE president must have the feeling that someone is saying, "Here's your hat. When are you leaving?" The goodbyes are piling up even though he has six months left in office.



If You Don't Rate a Museum You Might Try the Pyramid

By Dave Barry

MIAMI — I have exciting news for you consumers out there whose future plans include, at some point, death.

MEANWHILE

with "Flawed Trowel"), who in 1980 changed his name, not surprisingly, to "Amen Ra."

LETTERS TO THE EDITOR

The Palestinian Problem and the 'Jordanian Solution'

In "Waiting for the Second Round in Jordan" (Opinion, June 21), William Safire reveals not only his bias toward Israel but also a determination to carry out a vindictive attack against everything Arab.

litical and geographic entities: a short reading of history books as well as the findings of commissions which were sent to the region during the mandate period can substantiate this fact.

50 YEARS AGO

PARIS — The French government has announced that it will not accept the terms of the ceasefire agreement between the Israelis and the Syrians.

FRENCH COMPANY HANDBOOK 1988

Now in the 1988 completely revised and updated edition, almost 200 pages of indispensable information in English on a selection of 85 of the most important French companies, as well as basic facts on other major firms.

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NYSE Most Actives table with columns: Vol, High, Low, Last, Chg.

Market Sales table with columns: NYSE 4 p.m. volume, Amex 4 p.m. volume, etc.

NYSE Index table with columns: High, Low, Close, Chg.

Thursday's NYSE Closing logo and text: Via The Associated Press

AMEX Diary table with columns: Class, Prev.

NASDAQ Index table with columns: Composite, Industrials, Finance, Insurance, Utilities.

AMEX Most Actives table with columns: Vol, High, Low, Last, Chg.

Dow Jones Bond Averages table with columns: Class, Chg.

NYSE Diary table with columns: Class, Prev.

Odd-Lot Trading in N.Y. table with columns: June 29, 30, 31.

Dow Jones Averages table with columns: Open, High, Low, Last, Chg.

Standard & Poor's Index table with columns: High, Low, Close, Chg.

NASDAQ Diary table with columns: Class, Prev.

AMEX Stock Index table with columns: High, Low, Close, Chg.

Tables include the nationwide prices up to the closing on Wall Street and do not reflect late trades elsewhere.

NYSE Gains as Quarter Ends

NEW YORK — Prices on the New York Stock Exchange rose broadly Thursday in heavy trading, boosted by aggressive end-of-quarter buying in a market dominated by strategies aimed at capturing hefty dividends in selected issues.

The Dow Jones industrial average rose 19.73 points to close at 2,141.71. The Dow had fallen 8.89 on Wednesday. The index closed the first half of the year with a gain of 202.88 points, or 10.5 percent.

500-stock index rose 2.52 to 273.50. The price of an average share added 29 cents. Al Goldman, market strategist with A.G. Edwards & Sons in St. Louis, Missouri, said the market's early strength was tied to firmness in the dollar and bond market.

"Right now stocks are captive of the bond market," Mr. Goldman said. "In addition, the price of crude oil is down. This is making some people less concerned about the outlook for higher inflation."

Advances topped declines by about an 8-3 ratio. Volume rose to 227.41 million shares, compared with 159.59 million shares traded Wednesday.

The volume included about 55 million shares of just three stocks — Southwestern Bell, Boston Edison and Public Service Co. of Colorado — which are scheduled to go ex-dividend on Friday.

At about 2:30 P.M., "the annual second-quarter window dressing burst into full swing," said Trade Laitner of Josephthal & Co. "Portfolio managers everywhere were racing to buy a variety of stocks to present their best possible reports to the clients."

Ms. Laitner said the airline sector outperformed all groups Thursday, strengthened by the end-of-quarter buying and lower crude oil prices.

As a result, the Dow Jones transportation average soared 20.01 to 908.15, the highest level since the October collapse.

Broader market indexes also posted strong gains. The New York Stock Exchange index rose 1.34 to close at 154.47. Standard & Poor's

12-Month High Low Stock Div. Yld. PE 52-Week High Low Last Chg. Vol. Amex 4 p.m. volume NYSE 4 p.m. volume

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FUJI logo and text: With Branch Offices Singapore, New York. WALL ST. FRIDAY, JULY 1, 1983.

Carnation logo and text: Faces an Uphill Battle. By ANDREW...

LOS ANGELES — The price of a new force in the \$1.6-billion baby food industry is expected to put pressure on the market and is not viewed as a threat to Carnation's market share.

ABBOTT holds 48 percent of Carnation's stock. Myers 25 percent and A. H. Hays 15 percent. Carnation apparently does not plan to issue more shares.

Table with columns: Country, Currency, Exchange Rate.

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Thursday's NYSE Closing

Table with columns: 12 Month High, Low, Stock, Div, Yld, PE, 52-Week High, Low, Gain, Loss, % Chg.

(Continued)

Continuation of NYSE closing table with various stock symbols and prices.

AMEX High-Lows

Table listing AMEX high and low prices for various stocks.

NYSE High-Lows

Table listing NYSE high and low prices for various stocks.

Company Results

Table of company financial results including revenue, profit, and earnings per share.

U.S. Futures

Via The Associated Press

Grains

Table of grain futures prices including wheat, corn, and soybeans.

Food

Table of food futures prices including coffee, sugar, and orange juice.

Metals

Table of metal futures prices including copper, aluminum, and zinc.

Livestock

Table of livestock futures prices including cattle and hogs.

Currency Options

Table of currency option prices for various international currencies.

Financial

Table of financial futures prices including Treasury bills and bonds.

Stock Indexes

Table of major stock index values and changes.

Commodity Indexes

Table of commodity index values and changes.

Paris Commodities

High Low Close Bid Ask

Table of Paris commodity prices for various goods.

London Metals

Table of London metal prices for various metals.

U.S. Treasuries

Table of U.S. Treasury bond and bill prices.

Dividends

Table of dividend payments for various companies.

Matra Predicts 30% Profit Rise

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Traveler's Choice

International Herald Tribune TRAVELER'S CHOICE

Traveler's Choice

You Need Rubles Fast

Traveler's Choice

Into the Depths in Brussels

Traveler's Choice

And If You Prefer Clean

Traveler's Choice

Hotel Weekend for Big Sp

Traveler's Choice

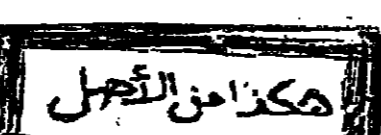
90 Candles for the Clur

Traveler's Choice

Calamarians to Capri. Oth

Traveler's Choice

Europe's Where's by Mike Zwern



Kadman al-Jamil

TRAVEL



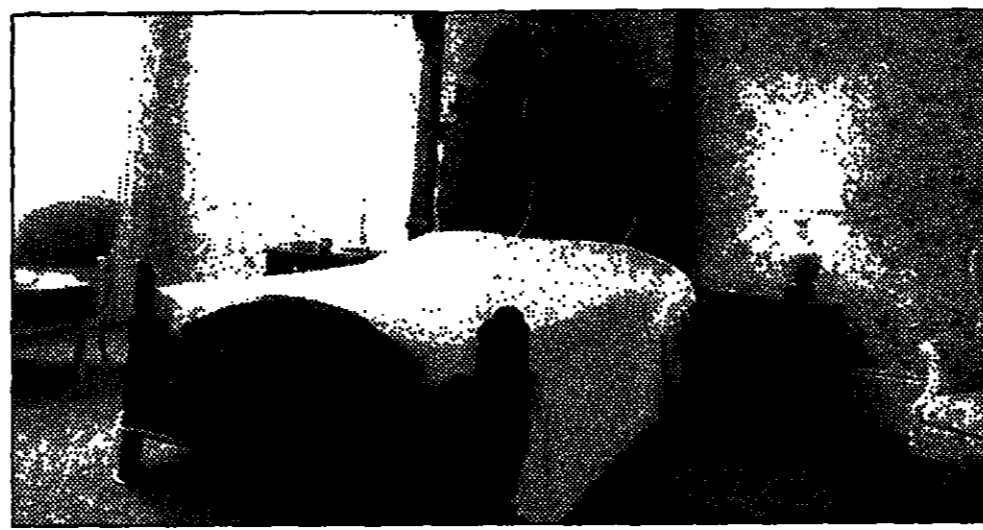
The 100-year-old Millsaps Buie House in Mississippi.



Bed and Breakfast *Continued from page 11*

ings in the other guest rooms were a mixture of antiques and reproductions. Several rooms, upstairs and down, were hung with ancestral portraits.

half a block away. When the valve atop the hydrant was turned, no water flowed. Backup trucks with water in tanks were dispatched, and four hours later the fire was declared under control.



Reuben Webster Millsaps slept here.

House are no strangers to guest accommodations. Their father, James Love, was a hotel keeper in Biloxi.

Breakfasts at the Millsaps Buie House are listed as continental. They include well-chilled, freshly squeezed orange or grapefruit juice and freshly made pastries (on my first morning visit, I feasted on some of the best walnut horns — rugelach — I have ever tasted).

Room rates at the Millsaps Buie House range from \$65 to \$95, for one person, \$10 more for each additional person in a room, breakfast included.

Craig Claiborne, who recently retired as food editor of The New York Times, wrote this for the Times.

THE FREQUENT TRAVELER

How Airlines Pick Their Movies

by Betsy Wade

GUESS who's having a European film festival? Swissair. While one wouldn't switch to a Swissair flight just to catch up with "My Life as a Dog" or "Au revoir les enfants," the festival may be an attraction to passengers suffering fatigue from "Three Men and a Cradle."

ment, the airlines reason, might express itself in the choice of another carrier the next time. So the movie that is least likely to offend anyone is the hot choice.

da Palmer of Buena Vista Pictures Distribution and a director of the World Airline Entertainment Association. But sometimes, she said, very bad films are offered to the airlines before release.

they might happily watch at home on a VCR but found wrong on a religious trip.

The film that is least likely to offend anyone is the hot choice.

complained if films sent the passengers into the aisles.

The line is experimenting with showing classics every two to three months; Klieberman thinks passengers enjoy them more on an airplane than on television because there are no commercials.

Virgin Atlantic, the budget carrier, puts heavy emphasis on entertainment, which isn't surprising because the company has roots in the recording business.

Philosophies vary among airline people who pick the movies — once, that is, you get past the every-one-wants-it level of "Crocodile Dundee," which was the most commonly shown airline film in 1987.

The Arabian airlines, Palmer said, will not screen pictures that show scenes of drinking or "public displays of affection," or picture scantily attired women. Instead, airlines flying to Arab countries show movies involving more violence than most lines will tolerate.

Swissair, on the other hand, forbids violence. Italo Poli, the Swissair selector and dean of the crew after nearly 20 years on the job, considers "tasteful" nudity far less objectionable than violence.

El Al Israel Airlines is affected by its role as a carrier to the Holy Land. Nachman Klieberman of El Al said that both religious Christians and religious Jews had complained about certain films that he said

"The Two Ronnies," a rather ramshackle British TV comedy series, appears as supplemental viewing on Virgin Atlantic flights. Ivey hopes to book NFL football games and other sports events when his budget improves. He said his line is as staid as most, but more "zesty" films may be shown on the east-bound night flights to Europe.

Recently passengers have been coming aboard with their own electronic earphones, which can be plugged into the airline system. Airlines asked about this said that if the passengers wanted to use a personal earphone set, they could, but they would still be charged any regular "entertainment fee." They said the fee covers rental of the film rather than the use of the earphones.

One movie you definitely never saw on your flight: "Airport" — or, for that matter, its slapstick take-off, "Airplane." On the other hand, you may have seen "Cassandra Crossing," in which a train bearing victims of a pestilence plunges into a ravine, and I was twice an unwilling economy-class viewer of "Silver Streak."

A Wine List To Return To

PARIS — It's one thing to discover a young, creative chef offering imaginative food at reasonable prices. It's another to find, in the same restaurant, carefully chosen, exciting list of wines that makes you

PATRICIA WELLS

want to return time and time again. I went to the Le Clos Morillons — an unadorned bistro at the edge of the 15th arrondissement — because I had heard that its selection of Loire Valley wines was among the best in town.

I fell in love with Philippe Delacourcelle's potato dishes — one a feather-light flan sprinkled with chives and fresh-tasting hazelnut oil, another a generous serving of small potatoes topped with warm oysters and bathed in an eye-opening red wine sauce — and could easily return to sample his aile de raie, skate wing gently poached and served on a mound of pencil-thin wild asparagus.

Other good dishes include his simple but refreshing salad of green beans in tarragon cream, and a firm green lentil terrine laced with a thick layer of good-quality foie gras. The terrine was so nicely seasoned and such a refreshing change from the commonplace vegetable pâtés one sees everywhere, that the foie gras was actually a touch of overkill. Beef lovers will enjoy the hearty portions of faux filet from the Auvergnat breed of Sales cattle, and the selection of honeyed desserts, especially the confit of pears topped with grilled almonds.

The decor here is nothing special — white walls, lots of mirrors, a few sprays of flowers — and service is slightly tentative. But the menus at 110 and 155 francs are made in heaven, and merit a try.

Le Clos Morillons, 30 Rue des Morillons, Paris 15; tel: 48.28.04.37. Closed Saturday lunch and Sunday. Credit card: Visa. At lunch only, 168-franc menu (including service but not wine); at dinner, 110- and 155-franc menus, including service but not wine; and 255-franc tasting menu, including service and a selection of Loire Valley wines. A la carte, about 275 francs a person, including wine and service.

way through the wine list, chosen by Philippe's brother, Marc, who journeys through the vineyards of the Loire with a firm goal of searching out reliable, independent winemakers. There is an exhaustive list for the passionate, as well as an abbreviated selection for those who dislike wading through heavy tomes. To note: Alphonse Melloi's popular Sancerre, a seldom-seen white Chinon from Château de Ligré, a huge selection of the rare white Jasnieres, along with the popular Saumur-Champigny, Gamay de Touraine and Pouilly-sur-Loire, most priced under a 100 francs. For Bordeaux fans, there's a small of-

An unadorned Paris bistro with a list of fine Loire wines.

The plane truth about an unusual airline and an uncommon newspaper

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October 1988

3 MONDAY

4 TUESDAY

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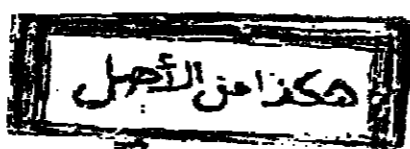
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The International Herald Tribune and Leo Burnett Limited are cosponsoring a major international conference in Amsterdam on October 4. The conference "1992: A Single Minded Vision - Marketing and Media Across One Market" is designed to brief senior management with marketing, advertising and media responsibilities on the implications of 1992 for their industry.

Dr. Wisse Dekker, Chairman of the European Round Table and Chairman of the Supervisory Board of Philips Industries, will head a distinguished group of speakers at this timely conference.

For further information, please send your business card to: Conference Office, "1992: A Single Minded Vision", International Herald Tribune, 63, Long Acre, London WC2E 9JH. Tel.: (44-1) 379 4302. Telex: 262009. Fax: (44-1) 240 2254

INTERNATIONAL Herald Tribune



TRAVEL

Nights in the Gardens of Granada, A City Made for Music and Dance

by Mary Peirson Kennedy

GRANADA, Spain—This mystical city dominating the plains below the snow-capped Sierra Nevada is in the midst of its 37th annual Music and Dance Festival.

difficult to become immersed in the legends of King Boabdil, of princes and princesses, of hidden treasures.

Spain's greatest 20th-century poet, Federico Garcia Lorca, who also played the guitar and the piano, composed music and grew up on the canje jondo and flamenco of his native city.

Neither the world of tourism, which has asphalted over part of the Generalife gardens for parking lots, nor the hordes that wander about the palace and the grounds, can completely dispel the enchantment of Granada, and it is an especially poignant city during the festival.

under the 30-year-old Finnish conductor Esa-Pekka Salonen had the public stamping and boeing with the announcement that "due to technical problems," she would not sing the "Liebestod" from Wagner's "Tristan und Isolde."

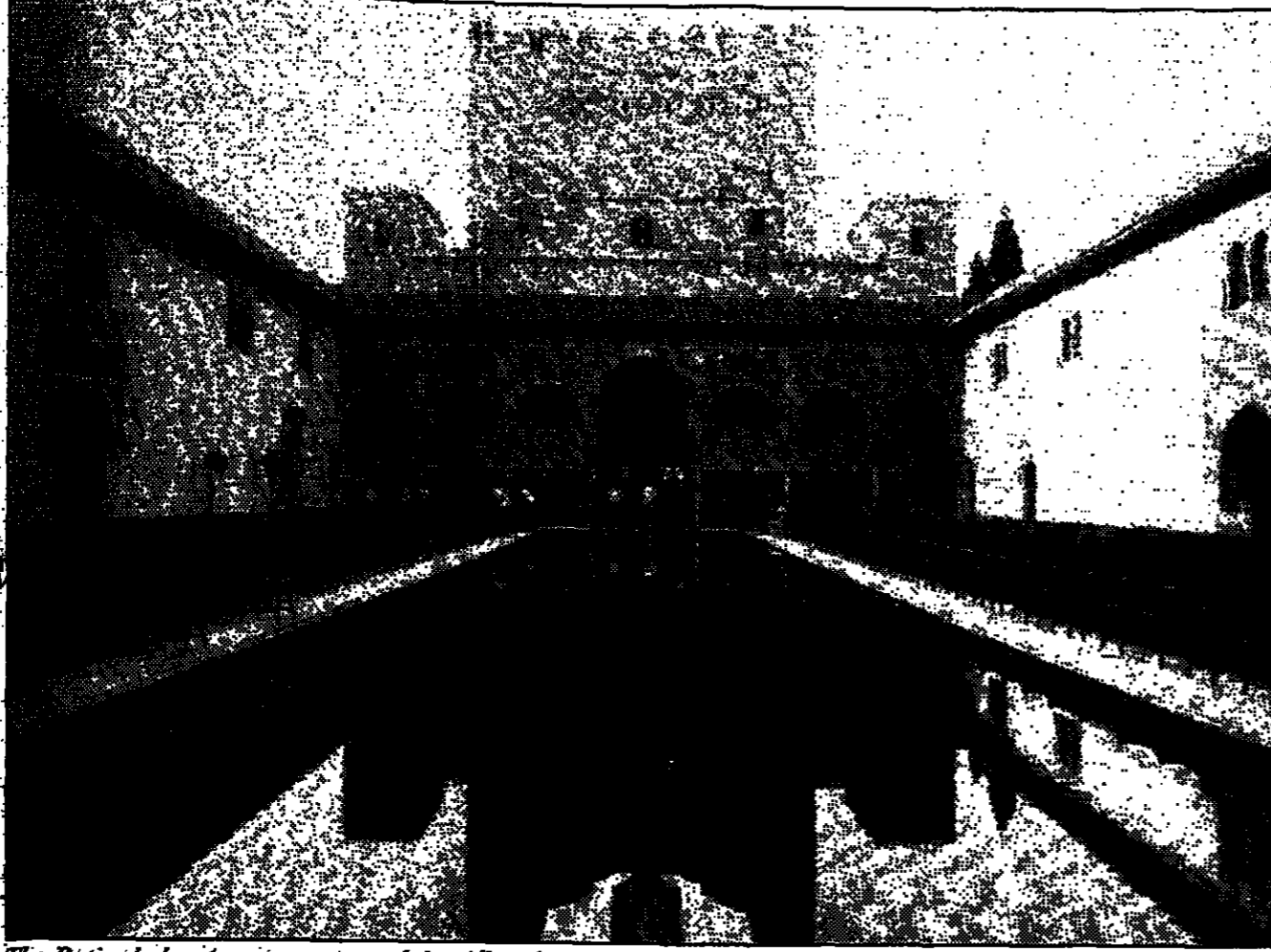
From a modest start in 1951, the festival grew yearly in stature with the dedicated work of men like Antonio Gallego Burin, Antonio de las Heras, Atalfo Argenta and Manuel Sola.

July 2 and 3, the Geneva Ballet performs in the Generalife gardens, and also July 3 there will be the annual mass for all dead Spanish musicians in the great Gothic-Renaissance cathedral, with a special program of medieval Spanish liturgical music.

energy below a soft-spoken manner she is dedicated to putting Granada in the front rank of European festivals.

The concerts continue through July 6, and until July 9 there are special concerts connected with the annual Manuel de Falla courses for contemporary music.

The Orlando Quartet will perform July 4 at the Manuel de Falla Auditorium—and at the same time for flamenco lovers there is a night in the gardens of the Generalife with these special people bringing to the festival their own exotic talents and ancient music.



The Patio de los Arrayanes, one of the Alhambra's concert sites.

Discovering the Côte d'Azur Once Again

Continued from page 11

And yet, and yet. The sea is still blue, the sun shines and much of the coast is still beautiful. You can still find peace and tranquility in the villages of the hinterland, their roofs a Cabist painting by Braque or Picasso, terraced vineyards set among olives and eucalyptus.

Nice has one of the most attractive airports in Europe. You come in over the sea to land, touching down on the edge of the runway, it seems, to palm trees and a fragrant breeze. It is still on a human scale, which means you often walk to the plane. Crowd watching is fun, especially Friday evenings when the flights from Paris arrive.

the flower market (Cours Saleya) in Nice or the covered market in Antibes, in front of the Mairie, at 8 A.M. You won't find many tourists, even in the summer. Have a coffee near one of the stalls, choose from 30 kinds of fresh-baked bread. Buy fish from the fishermen who set up tiny trestle-tables in the square. Mix with the local people or simply bask in the crystalline light. It's a surefire antidote for urban angst.

light that attracted artists to the Côte d'Azur. Renoir had his home at Cannes, now a museum; Chagall lived in Venice; Picasso Museum in Antibes houses the paintings and ceramics he did here in the fall of 1946. Dufy and Matisse worked here. There is the Matisse Museum in Nice, the Fernand Léger Museum at Biot, near Antibes, and the Maeght Foundation at Saint-Paul-de-Vence.

ers and sculptors living and working along the coast. An enterprising travel agent has put together a program of art tours for individuals and small groups to visit them in their homes and studios, which are often in picturesque medieval hill-top villages. (Jacques Renoir, a filmmaker, nephew of Jean Renoir, great-grandson of Auguste Renoir, may conduct you round Les Colleties, the house (now a museum) where Renoir lived, and where Jacques lived as a child.) This is part of

a program called, Riviera on Demand. It includes visits to concerts, festivals and vineyards. But you can do these things and much more by yourself: sailing, fishing and water sports, music, hiking (there are 17 resorts within two hours' drive of Nice), golf (half a dozen fine courses along the coast). Rediscovering the Côte d'Azur is the best revenge. It all comes to finding your own refuge from the sleaze. Maybe you will find it within yourself.

Côte d'Azur: Guideposts

Comité Régional du Tourisme (Regional Tourist Office): 55 Promenade des Anglais, 06000 Nice (tel: 93.44.50.59). Ask for the following free brochures: Guide to Hotels (from Menton to Cannes); "100 Years of the Côte d'Azur" (calendar of cultural, religious, folkloric and sporting events along the coast and back country); "A Practical Guide to the Riviera/Côte d'Azur" (an overview of what to see and do—festivals, monuments and museums, vineyards and wines, nature walks, arts and crafts and sports); "Museums and Art Galleries 1988"; Haut Pays de la Côte d'Azur et Parc National du Mercantour (open-air activities of all kinds).

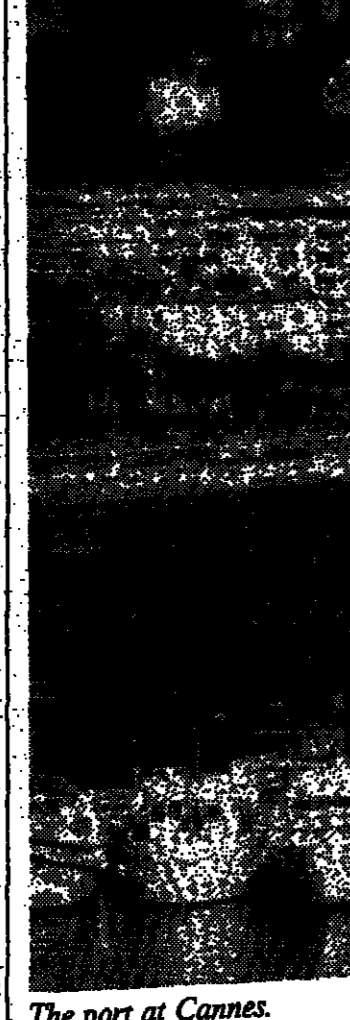
Maps and Guides: Get the large-scale—1 kilometer/centimeter—Michelin (green) map 195 (Côte d'Azur-Alpes Maritimes) or the smaller-scale Michelin (yellow) map 84 (Marseille-Menton), which extends slightly farther west. Use them together with the Michelin green guide (Côte d'Azur-Haute-Provence) which gives historical, archaeological, cultural and scenic information on every place worth visiting, along with regional maps and itineraries. The Michelin red guide is the classic authority on hotels and restaurants; it's a bit staid, but renowned for its objectivity.

SOME EVENTS THIS SUMMER: Another Exhibition of Picasso Prints, Picasso Museum, July 3-Sept. 30; Classical Music Festival at Antibes Cathedral, July 5-19; International Jazz Festival at Juan-les-Pins, July 16-30; Music & Fireworks Festival at Juan-les-Pins, Aug. 14, 17, 20 & 23.

Montpellier, France The second Montpellier Jazz Festival takes place July 15-29. Organized by the Centre Culturel du Languedoc and the Conseil Général de l'Hérault, it is imaginatively programmed and efficiently produced and benefits from an energetic municipality that wants to prove it is forward looking. Graduate level workshops organized by International Music Seminars of Los Angeles offer instructors like Joe Diorio, Herbie Hancock, John Abercrombie and Michael Brecker.

Nice, France The JVC Grande Parade du Jazz (July 9-19) in Nice is a flurry of cotton candy, T-shirts, soul food, silver balloons, blues, bebop and babies. Fun for all the family. Three simultaneous bandstands in the Cimiez Gardens offer a wide stylistic choice. But basically you come here for lightness rather than

depth, to savor the kind of delicious atmosphere "as fresh as jazz on a summer's day," a phrase rock singer Steve Winwood once chose to describe a woman. Promoter George Wein, who started the festival phenomenon in Newport in the '50s, has recently been rocking it in line with Montreux: James Brown ("Soul Brother Number One," July 9), Red Rodney (July 9-10), Screamin' Jay Hawkins (July 15 to 17), Ronnie Scott (July 9 to 11), Miles Davis (July 13-14), Dizzy Gillespie big band (July 18-19). More than 100 more. Tel: 93.21.22.01.



The port at Cannes.

Montreux, Switzerland Describing Montreux (June 30-July 16) as a "jazz festival" is a little like calling New York an American city. It may be historically correct but to a large degree it has become so mainly in name. And it can be both criticized for creeping commercialism or complimented for an adventurous spirit, depending on your point of view. This year's Montreux Whistles includes James Taylor (July 6), Steve Gadd (July 9), Charles Lloyd (July 9), Wynton Marsalis (July 10), David Sanborn (July 13), Carlos Santana/Wayne Shorter (July 14), and closing night is a marathon until dawn including Chick Corea, Salif Keita, Courtney Pine and Mongo Santamaria. Tel: (Montreux Tourist Office) (21) 963.1212.

The Hague, The Netherlands North Sea Jazz Festival, The Hague (July 8-10): 270 hours of live jazz of every size and shape in three days under one roof in 12 rooms of a congress center. Miles Davis, Ray Charles, Pat Metheny, Oscar Peterson, B.B. King, Lionel Hampton, Carmen McRae, Eddie Harris, Scott Hamilton, Michel Petrucciani, John Lee Hooker, Ben Sidran and just about everybody listed above and below. Total schizophrenia—so much goes on at the same time you're sure that what's really happening is in another hall.



James Brown.

Short List: Umbria Jazz, Perugia, Italy (July 8-17); Bobby McFerrin, Milton Nascimento, Jackie McLean, Gerry Mulligan, others. PO Box 228, 06100, Perugia. Pori Jazz Festival, Pori, Finland (July 9-17); Irakere, Benny Wallace, James Moody, and more. Tel: (90) 643.043. Halle That Jazz, Grande Halle, La Villette, Paris (July 2-3); Helen Merrill, Modern Jazz Quartet, Von and Chico Freeman, Abdullah Ibrahim (Dollar Brand), etc. Tel: 42.49.30.80. Jazz à Juan, Juan-les-Pins, France (July 20-28); Nina Simone (July 20), Jean-Luc Ponty (July 21), John McLaughlin (July 23), Stéphane Grappelli (July 27), Somy Rollins (July 29), and that's not all. Tel: 93.33.95.64. There are also festivals in July in Turin, Milan, Rome, Nîmes and Vienne (France), Vienna (Austria), Lisbon and Stuttgart, to name a few. Mostly permutations of the above personnel.



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Advertisement for Biman Bangladesh Airlines. Text: 'Fly Biman Bangladesh Airlines to 24 Destinations in 3 Continents.' Includes a flight route map showing destinations like Amsterdam, London, Paris, Rome, Athens, Baghdad, Kuwait, Bahrain, Dhaka, Calcutta, Rangoon, Bangkok, Bombay, Kuala Lumpur, Singapore, Kathmandu, and Chittagong. Biman Bangladesh Airlines logo and slogan 'Your home in the air'.

Vertical text on the left edge of the page, partially cut off. Includes words like 'Movies', 'The film that is least likely to offend anyone is the best choice.', 'complaints if films are the purveyors into the aisle.', 'The line is experimenting with showing classics every two months: Klemm says people enjoy them more on television than on television screens. There are no comments from Maltese Falcon'.

Thursday's AMEX Closing

Table listing AMEX closing prices for various stocks and commodities, including symbols like A, B, C, D, E, F, G, H, I, J, K, L, M, N, O, P, Q, R, S, T, U, V, W, X, Y, Z.

Table listing international stock market data, including symbols like A, B, C, D, E, F, G, H, I, J, K, L, M, N, O, P, Q, R, S, T, U, V, W, X, Y, Z.

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INTERNATIONAL FUNDS (Quotations Supplied by Funds Listed) 30th June 1988

Large table of international fund quotations, including fund names, symbols, and prices. Includes sub-sections for 'Other Funds' and 'Swiss Bank Corp. (Issue Prices)'.

Table of floating rate notes, including columns for currency, rate, and other financial details.

Table of Deutsche Marks, including columns for currency, rate, and other financial details.

Table of Japanese Yen, including columns for currency, rate, and other financial details.

Be sure that your fund is listed in this space daily. Tel: Matthew GREENE at 613595 for further information.

Large advertisement for Pepsi-Cola, featuring the headline 'Top 50 U.S. Exporters' and 'Pepsi: A Soviet Market'. The ad includes text about Pepsi's success in the Soviet market and its expansion into other international markets.

BUSINESS ROUNDUP

Top 50 U.S. Exporters Ride High

1987 Overseas Sales Reached \$80 Billion, Survey Shows

The Associated Press NEW YORK — Top U.S. exporting companies led by General Motors Corp., Ford Motor Co. and Boeing Co. did well last year as the cheaper dollar boosted overseas sales, a survey shows.

General Electric, \$48.5 billion, 12.3; IBM, \$37.9 billion, 7.4. De Pree, \$3.9 billion, 11.6; McDonnell Douglas, \$2.4 billion, 34.7; Chrysler, \$2.5 billion, 11.6; Eastman Kodak, \$2.3 billion, 17.1; Caterpillar, \$2.1 billion, 24.8; United Technologies, \$2.0 billion, 12.1; Digital Equipment, \$1.9 billion, 20.5.

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PEPSI: A Soviet Marketing Success

(Continued from first finance page) red kiosks in Moscow, largely around subway stations and in other high-traffic spots.

er we sold any more Pepsi, but I think we did manage, in ways that we had not been able to do before, to link Pepsi with the American lifestyle, with youth, with enjoyment, with fun.

The State Television and Radio Committee will probably agree to selling more air time in the future, Mr. Posner said, and U.S. and other companies introducing the consumer products in the Soviet market will certainly be among the first to buy time.

Changes are coming, however, as more Western companies compete to enter the Soviet market, and the government sees new benefits in competition.

Irish Distillers Complain to EC About Hostile Bid LONDON — Irish Distillers Group PLC said Thursday that it had lodged a formal complaint with the European Commission over G&C Brands Ltd.'s hostile bid of 198.5 million Irish punts (\$292 million) for Ireland's leading whiskey maker.

France Cuts Soft-Drink Tax PARIS — France will cut the value added tax rate on non-alcoholic drinks and mineral waters to 5.5 percent from 13.6 percent starting July 8, Finance Minister Pierre Bérégovoy said Thursday.

Olivetti and DEC in Accord IVERA, Italy Olivetti SpA said Thursday that it had signed an agreement with Digital Equipment Corp. under which its personal computers will be certified as being compatible with DEC's office network systems.

Bank Leu Geneva Ltd. Please be advised that, as of 1 July 1988, our bank will be renamed to Bank Leu Geneva Ltd.

Bank Leu Geneva Ltd. 10-12, place Longemalle, 1204 Geneva, Switzerland P.O. Box 342, CH-1211 Geneva 3 Telephone (22) 21 77 77, Telex 423 629, Telefax (22) 28 15 23

English International Company, based in London, owner of trademark and know-how used in Europe by over 50 schools of English, on franchise basis, present in Italy, Spain, Switzerland and France, now wanting to expand in Germany, Austria, Holland, Belgium and Sweden, is seeking.

Coke Dismisses Allegations of Moscow Bribes

ATLANTA — The president of Coca-Cola Co. has denied allegations that the soft-drink maker bribed officials in the Soviet Union to win market access.

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Fletcher in Brazilian Deal

WELLINGTON, New Zealand — Fletcher Challenge Ltd. has bought 50 percent of the Brazilian newspaper producer Papel de Imprensa SA for \$83 million.

KOYO — Fuji Heavy Industries Ltd. has applied to build Subaru cars in France because it is afraid the planned integration of the European Community could shut out Japanese imports.

VW Expects Slight Rise in Net Profit for Half WOLFSBURG, West Germany — Volkswagen AG expects group net profit of 310 million Deutsche marks (\$170 million) for the first half of 1988, a 2 percent rise from 304 million DM a year earlier.

LUXFUND SOCIETE ANONYME D'INVESTISSEMENT Valeur nette d'inventaire au 27-06-88 U.S. \$95.69

HOUSTON, TEXAS, U.S.A. 48+ Acres, (21,000,000 sq.ft.) Westinghouse Prime Commercial Tract

English International Company, based in London, owner of trademark and know-how used in Europe by over 50 schools of English, on franchise basis, present in Italy, Spain, Switzerland and France, now wanting to expand in Germany, Austria, Holland, Belgium and Sweden, is seeking.

able to invest from U.S. \$50,000. up to U.S. \$2,000,000. for setting up franchisee Companies in above countries, to develop a chain of schools of English with the most advanced methods and technologies supported by strong marketing and sales techniques.

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NOTICE OF REDEMPTION TO THE HOLDERS OF ECU 40,000,000

THE INDUSTRIAL BANK OF JAPAN FINANCE COMPANY N.V. 11 1/2% GUARANTEED BONDS DUE 1993

Serial numbers of the Bonds to be redeemed are set forth below on groups from one number to another number, both inclusive: 1504-1608 2593-2692 3092-3181 3390-3489

The following bonds, called for redemption on 9th August 1988, have not yet been presented for the payment: 1052-1061 2481-2489 4416-4432 5956 6048-6056 7613-7615 7592 8351-8373 11402-11404

The following bonds, called for redemption on 9th August 1988, have not yet been presented for the payment: 4030-4034 4078-4085 4107-4129 4527 4895-4898 4705 6218-6251 8266-8309 9489-9477

The following bonds, called for redemption on 9th August 1988, have not yet been presented for the payment: 2228-2230 4289-4301 4307-4332 4343-4375 4896-4898 4907 4917-4919 4948-4953 5142-5207

Amount outstanding after 9th August, 1988: ECU 22,000,000. Interest on the Bonds to be redeemed will cease to accrue on the redemption date.

Haindl Papier logo and Haindl Finance B.V. advertisement. Includes details on DM 100,000,000 6 1/2% Bearer Bonds of 1988/1998 guaranteed by Haindl Papier GmbH, Augsburg, Federal Republic of Germany.

Handwritten signature: J. P. W. S. D.

AMR Builds on Purchases of Commuter Airlines

Protecting American's Strategic Feeder Flights Is Key to Expansion Program

NEW YORK — AMR Corp. has been snatching up commuter airlines in a bid to strengthen its route system and further an aggressive expansion program, analysts say.

AMR, the parent of American Airlines, plans to spend \$8 billion in the five years through 1991 to add routes and planes, build hubs and expand overseas operations.

Under marketing agreements, the commuter carriers' short flights were already feeding passengers to American. But by buying the commuter carriers, AMR prevents competitors from stealing the feeder-flight operations away from the analysts say.

In the most recent of several transactions, AMR said Tuesday that it would buy Simmons Airlines Inc., a Chicago carrier, for \$78 million. Earlier in June, AMR agreed to buy Command Airways, a carrier based in Wappingers Falls, New York, for \$24.5 million.

In April, it bought Wings West Airlines of San Luis Obispo, California, for \$42 million. It also bought assets, including aircraft leases, from two East Coast commuter airlines for several million dollars.

"We're not so sure the notion of code-sharing will be permitted in the future as it is today," he said.

"So given that, it makes sense to make these acquisitions."

"Because of competition, NWA Inc.'s Northwest Airlines will probably lose its feeder arrangement with Simmons at Detroit, a major Northwest hub, after the sale to AMR, analysts said."

"We have no interest in providing connecting service to our competitors," Mr. Baker said. "But we have no interest in beating up on Northwest at Detroit, either."

On the competitive front, analysts said the NWA-Simmons situation showed how tenuous marketing agreements can be.

"It's axiomatic that you must have regional feed" in the deregulated environment, said Paul Schlesinger, an analyst at Donaldson Lufkin & Jenrette. "Then you have to lock it in and protect it, and the best way to do that is to buy it."

If the larger airline can provide the smaller with access to cheaper capital, then ownership becomes more attractive, he said.

McGraw-Hill Says 3-Way Split Just an Operations Move

By Edwin McDowell

New York Times Service NEW YORK — McGraw-Hill Inc., the publisher that has been the focus of recent takeover speculation, says its plan to reorganize into three new companies is purely an operational move, not a corporate restructuring.

The company said Wednesday it would create units for publishing, financial services and information services, beginning Friday.

Last month, Macmillan Inc., another diversified U.S. publisher, reorganized itself into two companies — one for traditional publishing, one for other activities — as part of a move to deter a hostile \$1.6 billion takeover attempt led by Robert M. Bass, a Texas investor.

McGraw-Hill's stock rose sharply in February on news that Robert Maxwell, the British publisher, was interested in acquiring it.

Spokesman for Mr. Maxwell denied at the time that he was planning such a move.

On Thursday, McGraw-Hill's stock rose \$1.625 a share to \$59.125 a share in midday trading on the floor of the New York Stock Exchange. It fell 50 cents a share on Wednesday in floor trading but rose \$3.625 in composite trading, which includes late activity.

Analysts have said that the company's stock is worth \$90 to \$100 a share.

"The new alignment simplifies our operating structure and represents the next step in McGraw-Hill's evolution as a multimedia publishing and information services company," said Joseph L. Dionne, chairman and chief executive.

"I think they see in this, first, a way of protecting themselves from another terrible takeover battle."

Ivan Obolenky, stock analyst.

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"We're going from five line companies to three."

Previously the company was divided into five units: books, publications, information services, systems and the credit-rating agency Standard & Poor's Corp.

While analysts agreed that the reorganization could aid McGraw-Hill's evolution, Ivan Obolenky, senior vice president of research at Josephthal & Co., said the company appeared to have adopted the strategy primarily as a protective measure.

"Their action seems to be sensible structurally but I don't think they see in this, first, a way of protecting themselves from another takeover battle."

The battle he referred to was McGraw-Hill's success in 1979 in fighting off a hostile bid from American Express Co.

"I don't think they see in this, first, a way of protecting themselves from another takeover battle."

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INTERNATIONAL REAL ESTATE MARKETPLACE

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REAL ESTATE FOR SALE ITALY TUSCANY/RIVIERA/UGO... REAL ESTATE FOR SALE MONTE CARLO... REAL ESTATE FOR SALE MONTE CARLO... REAL ESTATE FOR SALE MONTE CARLO... REAL ESTATE FOR SALE MONTE CARLO... REAL ESTATE FOR SALE MONTE CARLO... REAL ESTATE FOR SALE MONTE CARLO... REAL ESTATE FOR SALE MONTE CARLO... REAL ESTATE FOR SALE MONTE CARLO... REAL ESTATE FOR SALE MONTE CARLO... REAL ESTATE FOR SALE MONTE CARLO...

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HOUSTON, TEXAS, U.S.A. 48+ Acres, Westheimer, (18.43 Hectares), (2,100,000 sq. ft.), (194,300 sq. meters), Prime Commercial Tract 5 Minutes From Galleria... BAY OF ST-TROPEZ COGEDIM Top developer in France is building in the heart of the old village of GRIMAUD 12 exceptional houses, designed in the traditional architectural style of Provence...

BEFORE BUYING YOUR APARTMENT OR YOUR LAND on the Côte d'Azur, consult our best specialists: Gégic Méditerranée, 20 La Croisette, 06400 Cannes. Tel: 93.99.11.47... FOR SALE CASTLE West Paris, with over 50 acres grounds; 20 rooms with bath and two swimming pools...

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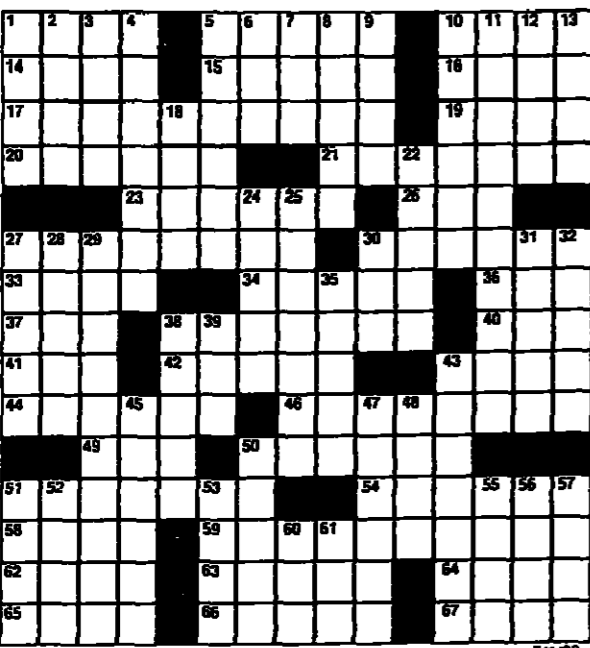
Florida Gulf PROPERTIES At the edge of white sand beaches on the Gulf, sailboat waters on Sarasota Bay and overlooking the vibrant green hills of golf courses... AUCION JULY 26, 1988 HOTEL PIERRE, N.Y. 7 UNITS MANHATTAN, N.J. PROPERTIES: Park Ave. Elevator town house, 2 Washington Heights apartment houses...

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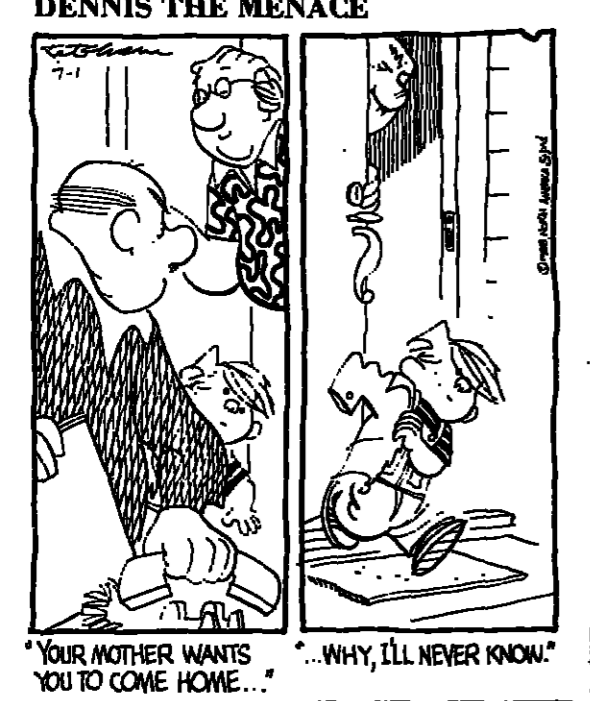
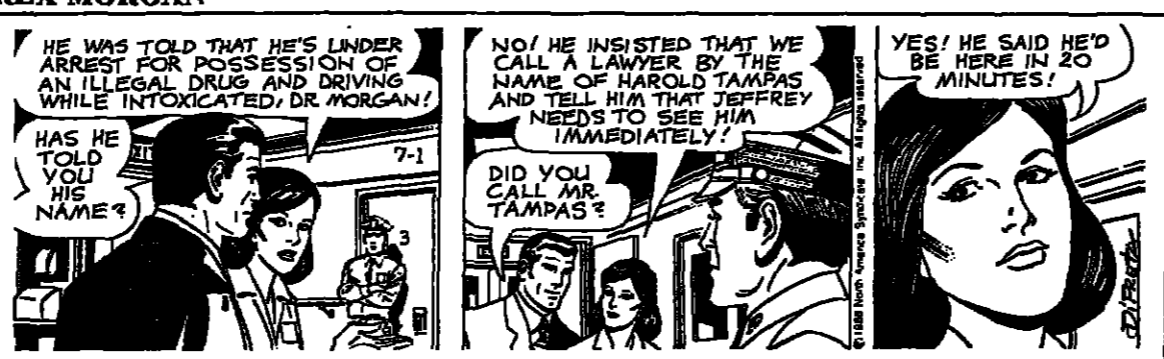
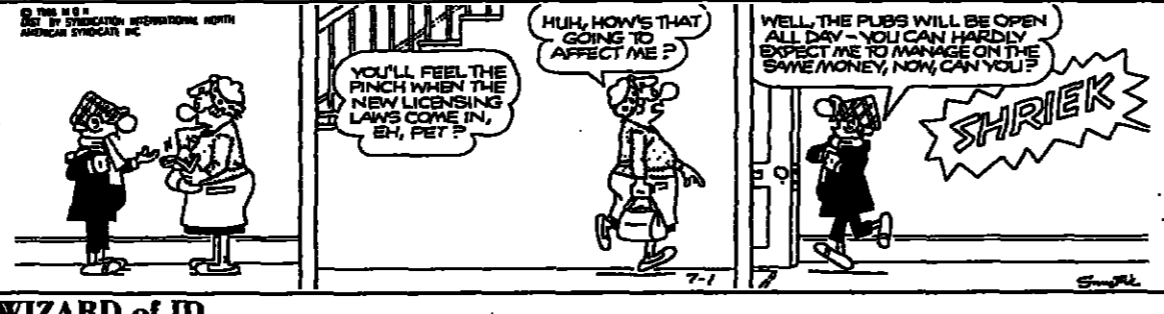
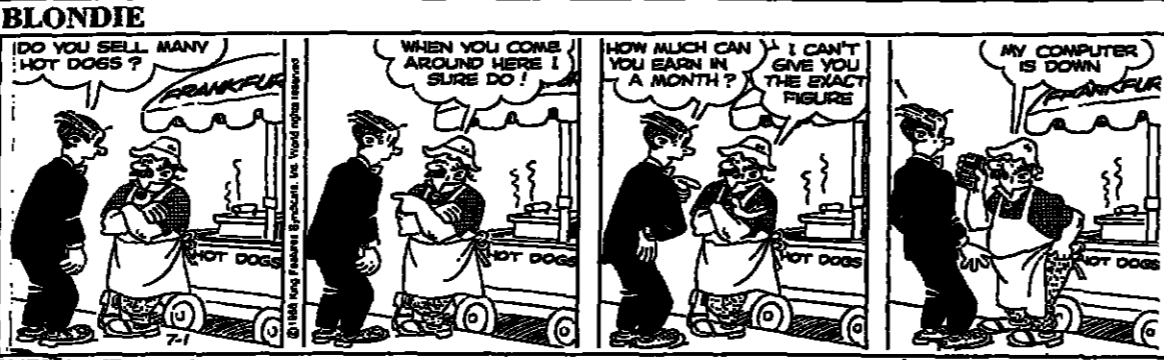
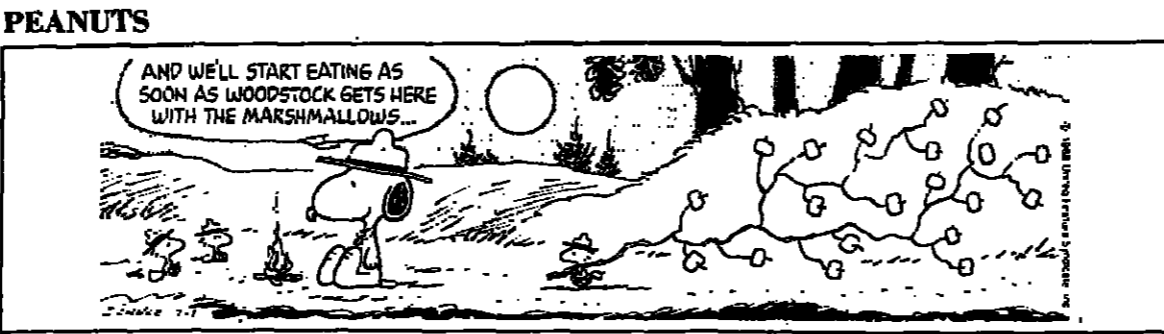
CURRENCY MARKET Dollar Mix... Thursday's OTC Prices... Real estate listings from various sources including Australia, Europe, and South Africa.



ACROSS
1 Desire
5 Mauser, e.g.
10 Ottoman leader
14 Plaster
15 Inventor Howe
16 Snatch
17 Elderly ones
19 Level
20 Felt
21 Tardy
23 Builds
26 Part of OTB
27 Give rise to
30 Prevents
33 Sale or stick type
34 Cubic decimetre
36 Charged particle
37 Inlet
38 Hatter's push pads
40 Simian
41 Brown's league
42 Hole
43 Broth to Burns
44 Striate anew
46 Fenced off
49 Indeterminate amount
50 Stellar

Down
1 Wits
2 Concerning
3 Mikita of hockey
4 Ruble
5 Thatched
6 Maritime org.
7 Softwood
8 Cheryl and Alan
9 Being
10 Ornamental clasp
11 Franciscans
12 Cousin of mist
13 Under covers
18 City with a bear pit

Answers to puzzle: 1. Wits, 2. Concerning, 3. Mikita of hockey, 4. Ruble, 5. Thatched, 6. Maritime org., 7. Softwood, 8. Cheryl and Alan, 9. Being, 10. Ornamental clasp, 11. Franciscans, 12. Cousin of mist, 13. Under covers, 18. City with a bear pit, 50. Stellar.



JUMBLE: A word game where you unscramble four jumbles to form four ordinary words. The jumbles are KOESM, GRABE, YATAPH, and INFUM. The answer is 'FLOPED'.

WEATHER: A table showing weather forecasts for various cities in Europe, Asia, Africa, North America, Middle East, and Oceania. It includes high and low temperatures and weather conditions.

World Stock Markets: A large table showing closing prices in local currencies for June 30. It includes sections for Amsterdam, London, Frankfurt, Zurich, Tokyo, and other major financial centers. It lists various stocks and their prices.

BOOKS

THE PREDATORS' BALL: The Junk-Bond Raiders and the Man Who Staked Them

By Connie Bruck. 385 pages. \$19.95. The American Lawyer-Simon & Schuster, 1230 Avenue of the Americas, New York, N. Y. 10020.

Reviewed by Christopher Lehmann-Haupt
The empire whose rise Connie Bruck so energetically describes in "The Predators' Ball" is based on the simple notion that in a diversified portfolio of low-grade, high-yield bonds, otherwise known as "junk" bonds, the reward outweighs the risk.

As Bruck, a reporter for The American Lawyer, reports: "This was a proven theory, well documented by academician W. Braddock Hickman in his enormous multivolume tome 'Corporate Bond Quality and Investor Experience,' published in the fifties."
Hickman, "after studying data on corporate bond performance from 1900 to 1943, had found that a low-grade bond portfolio, if very large, well diversified and held over a long period of time, was a higher-yielding investment than a high-grade portfolio. Although the low-grade portfolio suffered more defaults than the high-grade, the high yields that were realized over time more than compensated for the losses. Hickman's findings were updated by T.R. Atkinson in a study covering 1944-65. It was empirical fact: the reward outweighed the risk."

In the early 1970s, Michael Milken, a brilliant, driven young man from Los Angeles by way of the University of Pennsylvania's Wharton School, set about putting Hickman's theory into practice. Hired by the minor-league Wall Street firm that would eventually become Drexel Burnham Lambert, Milken took such an early bias to work that he had to wear a

miner's lamp to read by. He studied company prospectuses so assiduously that eventually whatever information on high-yield bonds he didn't know by heart would be at his fingertips in the data base of his computer.

Armed with this knowledge, not to speak of an extraordinary ability to read the market, Milken set out systematically but rapidly to build an empire. To oversimplify vastly what he did at Drexel Burnham: First he made money just by investing in junk bonds. Then he made more money by underwriting junk-bond issues to finance companies that couldn't borrow conventionally. Then he made still more money by using junk bonds to enable small companies to take over large companies whether or not these large companies wanted to be swallowed. By the mid-1980s, Milken and his associates had built Drexel Burnham into Wall Street's most powerful investment-banking firm.

In her book, Connie Bruck traces the rise of this empire with vivid metaphors and with a smooth command of high finance terminology, but with just a shade more detail about Drexel Burnham's dealings than the average reader may have the patience for.

But the more she uncovers about the Drexel Burnham story, the more she came to recognize what she perceived as the negative side of the takeover game—that it introduced "terror and mayhem into countless corporate boardrooms," that it caused "frightened managers to focus on short-term gains and elaborate takeover defenses rather than the research and development that make for sustained growth," that it caused "the loss of jobs, as companies were taken over and broken up." Moreover, in her view, Drexel Burnham played the game too roughly.

Unfortunately, whether or not these assertions are valid—Bruck does less well with the reaping what she sows than she does with its sowing. During her investigation, two events occurred that, in her view, threatened Drexel Burnham's supremacy.

One event was Ivan Boesky's decision to cooperate with the government's investigation of insider trading on Wall Street, which in turn, writes Bruck, led the Securities and Exchange Commission to focus on Drexel Burnham. The other was the sharp stock market sell-off of last Oct. 19, which seemed about to knock the props out from under Milken's credit empire.

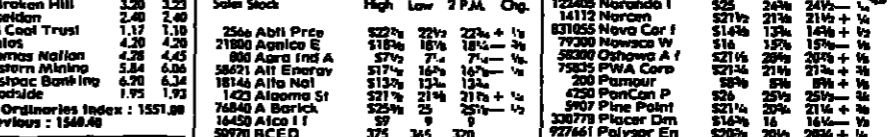
But by the end of Bruck's book, neither calamity had in fact occurred. Not only did Drexel Burnham stand undisturbed, and the value of its bonds was still intact.

So coming in with a lion's roar, Bruck goes out with a sound of bleating. It remains for the future to tell us if the apothecary of the junk-bond market has finally been good or bad for America. Meanwhile, Bruck appears to have rushed her book out before events have had a chance to catch up with her story.

Christopher Lehmann-Haupt is on the staff of The New York Times.

BRIDGE

By Alan Truscott
Woods, Mich. and she continued to game. The opening lead of the diamond king was won in the dummy, and a club was led to the king and ace. West sensed that a cross-ruff was coming, and made an imaginative shift to a trump. The sacrifice of the queen was more apparent than real, for South could not afford to draw trumps. South won in the dummy with the spade seven, ruffed a diamond and cashed the club queen. A club ruff and another diamond ruff led to this ending:



South was Virginia Caultin of Grosse Pointe

The last club was ruffed in the dummy, and gave little

pleasure to West although it revived his trump queen. He chose to throw a heart, and South had no trouble in ruffing another diamond to score 10 tricks.

It would have been more interesting if West had discarded his diamond winner. South would then have had a choice of three winning end-plays against West: lead a heart to the ace and play a heart, lead a diamond and throw a heart, or lead a club to the heart; or leading a diamond, overruffing East, and eventually leading a low heart.

WEST: ♠ 10 9 8 7 6 5 4 3 2, ♥ A Q J 10 9 8 7 6 5 4 3 2, ♦ A K Q J 10 9 8 7 6 5 4 3 2, ♣ A K Q J 10 9 8 7 6 5 4 3 2

EAST: ♠ A K Q J 10 9 8 7 6 5 4 3 2, ♥ A K Q J 10 9 8 7 6 5 4 3 2, ♦ A K Q J 10 9 8 7 6 5 4 3 2, ♣ A K Q J 10 9 8 7 6 5 4 3 2

South: ♠ A K Q J 10 9 8 7 6 5 4 3 2, ♥ A K Q J 10 9 8 7 6 5 4 3 2, ♦ A K Q J 10 9 8 7 6 5 4 3 2, ♣ A K Q J 10 9 8 7 6 5 4 3 2

North: ♠ A K Q J 10 9 8 7 6 5 4 3 2, ♥ A K Q J 10 9 8 7 6 5 4 3 2, ♦ A K Q J 10 9 8 7 6 5 4 3 2, ♣ A K Q J 10 9 8 7 6 5 4 3 2

Answers to puzzle: 1. Wits, 2. Concerning, 3. Mikita of hockey, 4. Ruble, 5. Thatched, 6. Maritime org., 7. Softwood, 8. Cheryl and Alan, 9. Being, 10. Ornamental clasp, 11. Franciscans, 12. Cousin of mist, 13. Under covers, 18. City with a bear pit, 50. Stellar.

Mets Rally: A large advertisement for the New York Mets baseball team. It features a photo of a player and text about the team's performance and upcoming games.

SCOREBOARD: A section containing various sports scores, including baseball, basketball, and hockey. It lists teams, scores, and game details.

